

consequence of the failure of the Brazil sugar crop; and the rates by boat and rail from Boston were too low to admit of our competing for refined sugar to Toronto, Hamilton, or London, or for some other produce. Of this traffic, we carried 4,700 tons in the corresponding half-year, which would give a very considerable ton mileage for 1888. As regards the decrease of west-bound local traffic, we also sent less west-bound traffic in 1889 to the Chicago and Grand Trunk from local stations in our midland district and west of Toronto, notably in barley for the west, because there had been in the west a much larger local production of barley. There was a further decrease of 37,000 tons in the total traffic out of New York to points reached by the Grand Trunk Railway, though our percentage of it shows a small increase. You will remember that I had to speak last year of the decrease of our coal traffic. This last half-year we received 81,000 more tons of coal, on which we earned 47,000 dols. more. The Intercolonial and West Shore gave us less coal. All the other companies gave us more coal. I may mention, without going into detailed figures, that we received more traffic from the Wabash, the Detroit, Grand Haven and Milwaukee, the New York Central, the Rome, Watertown and Ogdensburg, the Erie, the Delaware, Lackawanna and Western, and the Lehigh Valley; and less from the West Shore, the Michigan Central, the Toledo and Ann Arbor, and the Vermont Central, though we handed more traffic to other lines, especially to our Eastern connections. It is rather gratifying to find, as we learn by recent letters, that we are now working a through freight line carrying traffic between the Vanderbilt lines on the east and the west of us through the peninsula of